

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

GUYANA

**SOCIAL STATISTICS AND POLICY ANALYSIS
PROGRAM**

(GY-0070)

SECTOR FACILITY LOAN PROPOSAL

This document was prepared by the project team consisting of: Jorge Lamas, Project Team Leader (RE3/SO3); Luis C. Antola (COF/CGY); Lorraine Blank (consultant); Diego Buchara (LEG); José A. Mejía (SDS); Ethel Muhlstein (RE3/SO3); and Adrienne Pratt (OD6).

SOCIAL STATISTICS AND POLICY ANALYSIS PROGRAM (GY0070)

EXECUTIVE SUMMARY

Borrower and Guarantor:	Cooperative Republic of Guyana	
Executing agency:	Office of the President, through the Policy Coordination and Program Management Unit (PCPMU) and with the support of the Bureau of Statistics (BoS).	
Bank's financing amount and source:	IDB financing (FSO):	US\$3,450,000
	Local counterpart:	<u>384,000</u>
	Total:	3,834,000
Financial terms and conditions:	Amortization Period:	40 years
	Grace Period:	10 years
	Disbursement Period:	4 years
	Interest Rate:	1% grace period
		2% thereafter
	Supervision and Inspection:	1%
	Credit Fee:	0.5%
	Currency:	US Dollars
Objectives:	The objectives of the program are to improve and sustain the capacity of the country to generate social data, to undertake evidence-based policy analysis, and to monitor the Poverty Reduction Strategy (PRS) implementation and impact.	
Components:	The operation will finance under the Bank's Institutional Development Sector Facility the following components:	

1. Strengthening of the Bureau of Statistics (US\$2.1 million)

To this end consulting services would we contracted in the following areas: (a) design and development of the master sample frame based in the 2002 census, as well as support for the analysis and dissemination of the Census; (b) design and implementation of a digitized cartography system; (c) improvement in sample and questionnaire design; (d) design and implementation of validation and data consistency procedures, as well as data management; (e) harmonization of concepts and definitions between BoS products and other data sources; (f) development of data quality control systems; (g) training in field and initial implementation of

work logistics and data collection methods; (h) implementation of household surveys; (i) website development; (j) update of national accounts and consumer price index; (k) improvement of vital statistics; and (l) census completion related activities. This component will also include the acquisition of equipment (hardware and software) and refurbishing and light infrastructure financed by counterpart funds.

2. Upgrading of Data Management and Analysis in Social Sector Ministries (US\$0.9 million)

The program will finance technical assistance to ministries involved in the implementation of the Poverty Reduction Strategy (Health, Education, Water and Housing and Labour, Human Welfare and Social Services) in order to: (a) elaborate a technical diagnostic of the existing data production processes; (b) improve data collection and data management methods; (c) identify the range of operational data to be collected by each ministry as it related to the PRS and document procedures for collecting these data; (d) train staff in the skills related to all of the above so that the ministries can sustain the improved quality and amount of operational analysis and reports. Computer equipment will be provided to enhance the capacity of these ministries to monitor the PRS. The staff upgrading activities in the above institutions will involve the following courses: (a) computer literacy, including introduction to operating systems, spreadsheets and statistical software; (b) data analysis and interpretation, including construction of tables, cross tabulations and analysis of operational statistics, budget data and other data for monitoring and for planning; (c) research methodology, including evaluation techniques, unit cost analysis, research design and survey research; and (d) data presentation, including preparation of statistical abstracts.

3. Program execution (US\$0.3 million)

The program will also provide US\$0.3 million for the financing of consultants that will assist the Bureau of Statistics and the respective line ministries in the implementation of activities under their responsibility and for project monitoring and evaluation.

Special contractual conditions:	Evidence that the operating manual agreed with Bank has entered into effect.
Relationship to Bank country and sector strategy:	The Bank's strategy in Guyana, expressed in the Country Paper (GN-2228), seeks to achieve medium-term poverty reduction through activities that will: (i) lead to sustainable economic growth; (ii) improve governance and public sector efficiency; and (iii) strengthen social programs. The proposed program is consistent with Bank strategy in two ways. First, it will improve governance and public sector efficiency by strengthening the government's capacity to make decisions based on sound empirical analysis. Second, it will strengthen social programs by improving the capacity of ministries and agencies engaged in implementing the PRS to monitor and evaluate the performance of social and poverty reduction programs in order to adjust and modify them as necessary, thus contributing to eventual social development and poverty reduction.
Coordination with other multilateral development institutions:	<p>In 2002 the World Bank approved the Poverty Reduction Support Credit (PRSC), a one-tranche fast disbursing loan for US\$12 million to support the implementation of some of the goals specified in the PRS. A parallel technical cooperation (PSTAC) of US\$4.8 million will finance specific activities necessary to achieve the goals set out in the PRSC policy matrix. Approximately US\$500,000 from the PSTAC will finance equipment and staff training and development in the Bureau of Statistics. A further US\$1.7 million will support the administration of the PCPMU, and the implementation of an innovative community-based monitoring & evaluation program to assess local implementation and impact of PRS related activities.</p> <p>The World Bank operation was designed in collaboration with Bank staff and is fully consistent with the proposed operation. Specifically, staff from both institutions agreed that the World Bank would initiate the strengthening of the BoS through the purchase and upgrading of some computer and information systems, and through light construction work to upgrade the physical infrastructure. The Bank's operation would continue these activities, and would also focus on the overall restructuring and modernization of services delivered by the Bureau, including the creation of a permanent surveys unit, and related training needs.</p> <p>The BoS also benefited from a UNDP Institutional Rebuilding Project in the early 1990s, which financed external consultants, some staff development, and the 1992 HIES. Since then, the Bureau has received financial assistance on a one-off basis for two</p>

specific activities, the 1999 HIES (World Bank) and the 2002 MICS (UNICEF), but staff and institutional development activities associated with these initiative were virtually nil.

**Environmental/
social
classification:**

The project will finance small-scale rehabilitation of infrastructure in the participating institutions. Potential hazards are considered minor and predictable. Rehabilitation permits will be made in accordance with the country's norms and procedures.

Potential benefits:

There are two levels of benefits that will be generated by this project. At the sector level, the availability of high quality socio-economic data will permit the monitoring of Millennium Development Goals (MDG) and PRS related targets, as well as the evaluation of specific programs and interventions in health, education, and related sectors. It will also allow for the determination of public investment related to the achievement of these goals. These data will allow for the overall assessment of the socioeconomic development of the country.

At the global or country level, the project will have a profound impact on the nature of decision-making, particularly in government but also in the private sector. The generation and wide use of statistical data as envisioned in the operation will contribute to the development of a statistical culture such that public policy decisions will become more data driven, and the potential impact of these decisions easier to measure and thus correct. The transition to such an environment, a key benefit of this project, is an important step in the overall socioeconomic development of a country. Moreover, it will assist in strengthening the sustainability of the data generating activities supported by the operation.

Potential risks:

The existing understaffing of BoS and the consequent underfunding of its activities present the greatest challenge not only for this operation but also for the country's future capacity to make informed decisions and monitor its policies and programs. The current lack of high quality and timely information make the transition to a situation in which there is data to inform the decision making process more difficult. The success of this operation and the institutionalization of the use of data for policy making and monitoring depends on the government's provision of appropriate resources to BoS, both financial and human. The support from this operation should be seen as a turning point in the establishment of a modern statistical system in the country, not just in terms of data generation but also of data use.

To ameliorate the understaffing situation at the BoS, specialized staff has been identified through UNDP collaboration to fill key vacancies temporarily in the Demography and Information Technology Divisions until permanent staff is hired.

A key risk is the political commitment to create a statistical culture, in terms of open data access policy, climate for policy debate and criticism. Guyana is still a very young democracy, sensitive to criticism, and the culture for accessibility of data takes time to develop. It is not just about committing resources to the BOS but having the willingness to discuss openly sensitive issues. To mitigate this risk, the project will make sure that the open data access policy will be implemented.

Poverty-targeting and social sector classification:

This operation qualifies as a social equity-enhancing project, as described in the indicative targets mandated by the Bank's Eighth Replenishment (doc. AB-1704). This operation does not qualify as a poverty-targeted investment (PTI).

Procurement plan and timeframe, threshold amounts for ICB:

Principal procurements will comprise computer equipment (first trimester of 2004 and 2006) and hiring of consulting services (first trimester of 2004). The thresholds above which procurement will be subject to international competitive bidding are: US\$200,000 for consulting services; US\$350,000 for goods and services; and US\$2 million for civil works.

Key performance indicators and monitoring benchmarks:

Component 1: Strengthening of the Bureau of Statistics (BoS):

a. National System of Social Statistics

80% of BoS staff trained in data collection and management

National Master Sample is made.

Digital Map made available to potential users.

Procedures manual covering all aspects of data managements functioning.

Official statistical catalogue of concepts and definitions completed and made available to the public.

b. Data collection improvement

Information on two household surveys applied and published.

National Accounts updated.

Revised data statistics available.

2002 Census database available.

c. Dissemination of social and other relevant data

Bureau of Statistics Website includes timely data and is routinely updated.

Component 2: Upgraded data management and analytical skills in social sector ministries:

Annual social sector ministries' reports produced mid-year to include quality and complete data from previous calendar year.

Procedures manual to cover all aspects of data management published.

80% of social sector ministries staff trained in all relevant data management skills.

**Reporting
arrangements
jointly with Bank
and Executing
Agency:**

Program monitoring will be based on the implementation of annual operating plans. At the end of every year, the PCPMU will prepare an operating plan for the following year and present it to the Bank 30 days before the beginning of each year. This plan will also contain an evaluation of the results obtained during the previous period, and if needed, include a justification and recommended actions regarding the goals not achieved during the period in question.

During program execution, the PCPMU will present to the Bank semi-annual progress reports, to be presented within 30 days of the end of the semester, summarizing the execution and financial highlights of the period. The report will also take into consideration the indicators of the Logical Framework and other agreed goals.

Mid-term evaluation. The second annual monitoring and evaluation meeting will also serve as a mid-term evaluation. A mid-term review mission will discuss with the BoS the results from the surveys undertaken in the framework of this operation, and review the plan of the activities for the surveys that would be conducted in the second part of the project. The BoS will also present the publications generated with the data produced in the framework of the project, including the MDGs indicators and targets. Also, the implementation of the open data access policy will be evaluated.

Final evaluation. A final evaluation of the proposed interventions will be financed with project funds. The evaluation will assess the implementation of project and will document outcomes in participating ministries and agencies. The objectives of the final evaluation are to assess: (a) the degree to which the project

achieved its objectives; (b) the efficiency of the means used to address these objectives; (c) the factors that, in general, influenced program outcomes; (d) the factors that influenced variations in impacts across participating agencies and ministries; (e) whether unexpected results are due to administrative factors; (f) the sustainability of the project results; and (g) the lessons learned with respect to building social policy analysis capacity. This information will be a valuable input for the Project Completion Report. **The borrower has elected not to carry out a formal ex-post evaluation of the program.**

Final assessment. The PCPMU will collect, store and retain all necessary information, indicators and parameters, the mid-term review, and final evaluation, to enable: (i) the Bank to prepare the PCR; and (ii) the Bank's Oversight and Evaluation Office (OVE), if so wishes, to evaluate the impact of this operation in accordance to GN-2254-5.

**Exceptions to
Bank policy:**

None.